

## § 1260.27

defray costs of any funding period of the grant. The estimated amount of unexpended funds shall be identified in the grant budget section of the recipient's renewal proposal.

(d) *Program income* will be subject to § 1260.124.

(e) Provisions of § 1260.26(c) shall apply to subcontractors performing substantive work under this grant.

## § 1260.27 Equipment and other property.

### EQUIPMENT AND OTHER PROPERTY (JULY 1996)

(a) NASA permits acquisition of special purpose equipment (as defined in OMB Circulars A-21 and A-122) specifically required and only used for research, medical, scientific or other technical activities.

(1) Acquisition of special purpose equipment, costing in excess of \$5,000 and not included in the approved proposal budget, requires the prior approval of the administrative grant officer (unless the item is merely a different model of an item in the approved proposal budget).

(2) Title to special purpose equipment acquired by the recipient with grant funds, valued under \$5,000 in acquisition cost, shall vest in the recipient and will be considered "exempt" in accordance with § 1260.133(b).

(3) NASA may elect to take title to items of special purpose equipment valued at more than \$5,000 (acquisition cost each) or when fabricated into a single coherent system (aggregate acquisition cost). The recipient will be advised of the Government's intention to take title in writing if the item is approved for recipient purchase. If the Government does not exercise its right to take title to property acquired by the recipient with grant funds at the time of approval, the property will be considered exempt according to § 1260.133(b). The recipient shall hold title without further obligation to the Federal Government.

(b) General purpose equipment items require the prior approval of the Grant Officer to be a direct charge, shall be titled to NASA, managed in accordance with § 1260.134(f), and reported in accordance with § 1260.27(e).

(c) Grant funds may be expended for the acquisition of land or interests therein or for the acquisition and construction of facilities *only* under a facilities grant, as defined in § 1260.12(g).

(d) The recipient shall maintain a property management system which meets the requirements of §§ 1260.130 through 1260.137. The cognizant property administration officer or property administrator shall be notified of any major change to an approved system.

(e) The recipient shall submit an Inventory Report, to be received no later than October 31 of each year, which lists all Federally owned property in its custody as of Sep-

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tember 30. A Final Inventory Report of Federally Owned Property, including equipment where title was taken by the Government, will be submitted by the recipient no later than 60 days after the expiration date of the grant.

(1) All reports will include the information listed in paragraph (f)(1) of § 1260.134, Equipment.

(2) Negative responses in the Final Inventory Report, when there is no reportable equipment, are required.

(3) The original of each report shall be submitted to the Center Deputy Chief Financial Officer (Finance). Copies shall be furnished to the Center industrial property officer and to ONR.

## § 1260.28 Patent rights.

### PATENT RIGHTS (JULY 1996)

This award is subject to the provisions of 37 CFR 401.3(a) which requires use of the standard clause set out at 37 CFR 401.14 "Patent Rights (Small Business Firms and Nonprofit Organizations)" and the following:

(a) Where the term *contract* or *contractor* is used in the "Patent Rights" clause, the term shall be replaced by the term *grant* or *recipient*, respectively.

(b) In each instance where the term *Federal Agency*, *agency*, or *funding Federal agency* is used in the "Patent Rights" clause, the term shall be replaced by the term *NASA*.

(c) The NASA regulation applicable to paragraph (e) of the "Patent Rights" clause is at 37 CFR part 404, Licensing of Government-owned Inventions.

(d) The following item is added to the end of paragraph (f) of the "Patent Rights" clause:

(5) The recipient shall include a list of all Subject Inventions required to be disclosed during the preceding year in the performance report, technical report, or renewal proposal, and a complete list (or a negative statement) for the entire award period shall be included in the summary of research.

(e) The term *subcontract* in paragraph (g) of the "Patent Rights" clause shall include purchase orders.

(f) The NASA implementing regulation for paragraph (g)(2) of the "Patent Rights" clause is at 48 CFR 1827.373(b).

(g) The following requirement constitutes paragraph (1) of the "Patent Rights" clause:

(1) Communications. A copy of all submissions or requests required by this clause, plus a copy of any reports, manuscripts, publications or similar material bearing on patent matters, shall be sent to the Center Patent Counsel and the administrative grant officer in addition to any other submission requirements in the grant provisions. If any reports contain information describing a "subject invention" for which the recipient has